

36 West 38<sup>th</sup> Street Hotel Capital LLC &  
33 Peck Slip Hotel Capital LLC  
10 State House Square  
Hartford, CT 06103

November 5, 2014

Mr. Dante Massaro  
President  
Gemini Real Estate Advisors, LLC  
16740 Birkdale Commons Parkway  
Suite 306  
Huntersville, NC 28078

Dear Dante:

This letter responds to your letter of October 14, 2014 regarding the Projects (I have used the defined terms from your letter).

With some refinements noted in this letter, and subject principally to your demonstrating your (and Chris La Mack's) ability to bind the Borrower entities to the plan set out in your letter, the UBS Lender entities are willing to consider moving forward with a sale of the Projects, generally as outlined in your letter.

Principal among the refinements we would want to put forth relates to the waterfall for distribution of the net proceeds of sale as set forth in your letter. This will require further study and analysis by us, and negotiation between us of an acceptable allocation of such proceeds.

Further, we note the second paragraph of Section 5 of your letter, and specifically to the suggestion that, were the Jade Bryant Park to be sold to Congress that the UBS loan would be left in place. While we are willing to consider any rational proposal, at least as a going in position, in the event that we move forward with the Proposal set forth in your letter, we would do so on the basis that the loans are repaid from the proceeds of the sale of the assets, as outlined in your Proposal, and not that the loan would remain in place.

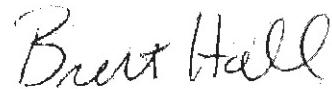
Any final agreement is subject to review and approval by UBS Realty's investment committee, and this response is not to be construed as an offer to modify the terms of the Loans, which can only be done by a written agreement executed by both Lender and Borrower.

To emphasize the point made in the second paragraph of this letter, the Lenders have no interest in becoming embroiled in the unfortunate litigation among the partners of Gemini. We are not experts on what it would take for you to deliver satisfactory evidence of your ability to bind the Borrower entities to the Proposal, but that is something that should be addressed up front, lest we all waste time and expense pursuing a plan that in fact cannot be realized.

Finally, as you are no doubt aware, there are numerous conditions under the loan agreements to further disbursements that are not currently satisfied. Unless and until those conditions are satisfied, or another resolution is agreed between Lender and Borrower, we do not intend to make further disbursements of loan proceeds, except relating to the demolition of the improvements currently on the Jade Bryant site, which we regard as in the best interest of the Project, and both Borrower and Lender.

Let's discuss how best to proceed from here.

Very truly yours,



Brent N. Hall